

House File 2444

H-8232

1 Amend the Senate amendment, H-8222, to House File  
2 2444, as passed by the House, as follows:

3 1. Page 1, by striking lines 5 through 24 and  
4 inserting:

5 <<Sec. \_\_\_\_\_. Section 452A.3, subsection 1,  
6 unnumbered paragraph 1, Code 2014, is amended to read  
7 as follows:

8 Except as otherwise provided in this section and in  
9 this division, until ~~June 30~~ December 31, 2014, this  
10 subsection shall apply to the excise tax imposed on  
11 each gallon of motor fuel used for any purpose for the  
12 privilege of operating motor vehicles in this state.

13 Sec. \_\_\_\_\_. Section 452A.3, subsection 1A, Code 2014,  
14 is amended by striking the subsection and inserting in  
15 lieu thereof the following:

16 1A. a. Except as otherwise provided in this  
17 section and in this division, beginning January 1,  
18 2015, this subsection shall apply to the excise taxes  
19 imposed on each gallon of motor fuel used for any  
20 purpose for the privilege of operating motor vehicles  
21 in this state.

22 b. An excise tax is imposed on each gallon of  
23 ethanol blended gasoline in an amount equal to the sum  
24 of sixteen cents per gallon plus five percent of the  
25 statewide average retail price of a gallon of ethanol  
26 blended gasoline. The portion of the excise tax that  
27 is based on the statewide average retail price shall  
28 be computed by the department and adjusted annually on  
29 January 1 by calculating five percent of the statewide  
30 average retail price of a gallon of ethanol blended  
31 gasoline, exclusive of federal excise taxes and the  
32 sixteen-cent per gallon portion of the state excise  
33 tax, for the twelve-month period beginning October  
34 1 and ending September 30 immediately preceding the  
35 calendar year in which the adjusted tax rate will take  
36 effect.

37 c. An excise tax is imposed on each gallon of  
38 nonethanol blended gasoline in an amount equal to the  
39 sum of sixteen cents per gallon plus five percent of  
40 the statewide average retail price of a gallon of  
41 nonethanol blended gasoline. The portion of the excise  
42 tax that is based on the statewide average retail  
43 price shall be computed by the department and adjusted  
44 annually on January 1 by calculating five percent of  
45 the statewide average retail price of a gallon of  
46 nonethanol blended gasoline, exclusive of federal  
47 excise taxes and the sixteen-cent per gallon portion  
48 of the state excise tax, for the twelve-month period  
49 beginning October 1 and ending September 30 immediately  
50 preceding the calendar year in which the adjusted tax

1 rate will take effect.

2 *d.* The department shall adopt rules prescribing  
3 the process for computing the portion of the excise  
4 tax under paragraph "b" that is based on the statewide  
5 average retail price of a gallon of ethanol blended  
6 gasoline and the portion of the excise tax under  
7 paragraph "c" that is based on the statewide average  
8 retail price of a gallon of nonethanol blended  
9 gasoline.

10 Sec. \_\_\_\_\_. Section 452A.3, subsections 1B and 1C,  
11 Code 2014, are amended by striking the subsections.

12 Sec. \_\_\_\_\_. Section 452A.3, subsection 3, Code 2014,  
13 is amended to read as follows:

14 3. *a.* For the privilege of operating motor  
15 vehicles or aircraft in this state, there is imposed  
16 an excise tax on the use of special fuel in a motor  
17 vehicle or aircraft.

18 (1) (a) The tax Beginning January 1, 2015, the  
19 rate of the excise tax on special fuel for diesel  
20 engines of motor vehicles is twenty-two and one-half an  
21 amount equal to the sum of eighteen cents per gallon  
22 plus five percent of the statewide average retail price  
23 of a gallon of special fuel for diesel engines of motor  
24 vehicles. The portion of the excise tax that is based  
25 on the statewide average retail price shall be computed  
26 by the department and adjusted annually on January 1  
27 by calculating five percent of the statewide average  
28 retail price of a gallon of special fuel for diesel  
29 engines of motor vehicles, exclusive of federal excise  
30 taxes and the eighteen-cent per gallon portion of the  
31 state excise tax, for the twelve-month period beginning  
32 October 1 and ending September 30 immediately preceding  
33 the calendar year in which the adjusted tax rate will  
34 take effect.

35 (b) The department shall adopt rules prescribing  
36 the process for computing the portion of the excise tax  
37 that is based on the statewide average retail price of  
38 a gallon of special fuel for diesel engines of motor  
39 vehicles.

40 (2) The rate of tax on special fuel for aircraft is  
41 three cents per gallon.

42 (3) On all other special fuel, unless otherwise  
43 specified in this section, the per gallon rate is  
44 the same as the motor fuel tax on nonethanol blended  
45 gasoline.

46 *b.* Indelible dye meeting United States  
47 environmental protection agency and internal revenue  
48 service regulations must be added to fuel before or  
49 upon withdrawal at a terminal or refinery rack for that  
50 fuel to be exempt from tax and the dyed fuel may be

1 used only for an exempt purpose.

2 Sec. \_\_\_\_\_. Section 452A.3, Code 2014, is amended by  
3 adding the following new subsection:

4 NEW SUBSECTION. 6A. By December 15 of each year,  
5 the director shall cause an advisory notice to be  
6 published in the Iowa administrative bulletin and  
7 in a newspaper of general circulation in this state,  
8 stating the rate of excise taxes established pursuant  
9 to subsection 1A and subsection 3, paragraph "a",  
10 subparagraph (1), that will take effect the following  
11 January 1.

12 Sec. \_\_\_\_\_. Section 452A.3, subsection 4, as amended  
13 by 2014 Iowa Acts, Senate File 2338, section 3, is  
14 amended to read as follows:

15 4. For compressed natural gas used as a special  
16 fuel, the rate of the excise tax is ~~twenty-one cents~~  
17 per gallon the rate imposed for nonethanol blended  
18 gasoline under subsection 1A, paragraph "c".

19 Sec. \_\_\_\_\_. Section 452A.3, subsection 4A, as enacted  
20 by 2014 Iowa Acts, Senate File 2338, section 4, is  
21 amended to read as follows:

22 4A. For liquefied natural gas used as a special  
23 fuel, the rate of the excise tax is ~~twenty-two and~~  
24 one-half cents per gallon the rate imposed for special  
25 fuel for diesel engines of motor vehicles under  
26 subsection 3, paragraph "a", subparagraph (1).>

27 \_\_\_\_\_. Page 2, after line 25 by inserting:  
28 <Sec. \_\_\_\_\_. 2005 Iowa Acts, chapter 178, section 41,  
29 subsection 3, is amended to read as follows:  
30 3. REPEAL. This section is repealed effective July  
31 1, ~~2015~~ 2025.

32 Sec. \_\_\_\_\_. APPLICABILITY — INVENTORY  
33 TAX. Notwithstanding section 452A.85, persons who have  
34 title to motor fuel, ethanol blended gasoline, undyed  
35 special fuel, compressed natural gas, liquefied natural  
36 gas, or liquefied petroleum gas in storage and held for  
37 sale on the effective date of an increase in the rate  
38 of excise tax imposed on motor fuel, ethanol blended  
39 gasoline, undyed special fuel, compressed natural  
40 gas, liquefied natural gas, or liquefied petroleum  
41 gas pursuant to this Act shall not be subject to an  
42 inventory tax on the gallonage in storage as provided  
43 in section 452A.85 as a result of any tax increase due  
44 to implementation of this division of this Act.

45 Sec. \_\_\_\_\_. EFFECTIVE DATES.  
46 1. Except as provided in subsection 2, this  
47 division of this Act takes effect January 1, 2015.  
48 2. The section of this division of this Act  
49 amending section 452A.64 takes effect July 1, 2014.>>  
50 2. By renumbering as necessary.

BYRNES of Mitchell

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